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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Andreas Schaefer

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EXAMINER

DANNEMAN, PAUL

ART UNIT

PAPER NUMBER

3627

MAIL DATE

DELIVERY MODE

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/730,948	Applicant(s) SCHAEFER ET AL.	
	Examiner PAUL DANNEMAN	Art Unit 3627	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-18 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-18 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 18 January 2008 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. ____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____. |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date ____. | 6) <input type="checkbox"/> Other: ____. |

DETAILED ACTION

Response to Amendment

1. This action is in reply to Applicant's response, filed 18 January 2008 to the first office action.
2. Figs. 3a, 3b, and 4 have been amended and are hereby accepted.
3. Claims 1-18 are pending.
4. Claims were not amended.

Response to the Arguments

5. **Applicant argues that the rejection of Claims 1-18 under 35 U.S.C. § 102(b) based upon public use or sale of the invention with reference to the "2000 Development Requests at HERUG" is deficient because the office action does not mention the two prong test for the on-sale bar to apply (1) the invention must be the subject of a commercial offer for sale, and (2) the invention must be ready for patenting. *Pfaff v. Wells Electronics, Inc.*, 525 U.S. 55, 67, 119 S. Ct. 304, 311-12, 48 U.S.P.Q.2d 1641, 1646-47 (1998). Applicant further argues that the HERUG reference does not even suggest that the claimed invention was on sale more than one year prior to the filing date of the present application.** The Examiner does not have to recite in the office action the two-prong test, but must use it to determine if the rejection is based on the on-sale bar. HERUG only allows members to submit development requests. Membership of HERUG is open to all degree-granting Higher Education and Research Institutions who are SAP customers with signed contracts for the productive use of one or more R/2 or R/3 software modules, a requirement that Applicant should be fully aware of. However, since Applicant does not appear to be aware of this requirement, the Examiner respectfully directs Applicant's attention to "Logging Development Requests" available at <http://web.mit.edu/her/devreq/devreqinfo.htm>.

6. **Applicant only argued the on-sale bar;** Examiner respectfully reminds Applicant that there is also an alternative public-use bar. MPEP 2133.03 [R-5] Rejections Based on "Public Use" or "On Sale" 35 U.S.C. § 102(b) "contains several distinct bars to patentability, each of which relates to activity or disclosure more than one year prior to the date of the application. Two of these - the public use' and the

on sale' objections - are sometimes considered together although it is quite clear that either may apply when the other does not." *Dart Indus. V. E.I. du Pont de Nemours & Co.*, 489 F.2d 1359, 1365, 179 USPQ 392, 396 (7th Cir. 1973). There may be a public use of an invention absent any sales activity. Likewise, there may be a nonpublic, e.g., "secret," sale or offer to sell an invention which nevertheless constitutes a statutory bar. *Hobbs v. United States*, 451 F.2d 849, 859-60, 171 USPQ 713, 720 (5th Cir. 1971). The Examiner maintains that HERUG clearly discloses the public use of the invention as claimed in Claims 1-18. Claims 1-18 are therefore properly rejected and remain rejected.

7. **Applicant further argues that the HERUG (item seven) disclosure of the 3 then-current RIB rules and the request to change how the 3 RIB rules work does not reflect the specific features of the claimed invention.** MPEP 2133.03 [R-5] Rejection Based on "Public Use" or "On Sale" 35 U.S.C. § 102(b). It should be noted that 35 U.S.C. 102(b) may create a bar to patentability either alone, if the device in public use or placed on sale anticipates a later claimed invention, or in conjunction with 35 U.S.C. 103, if the claimed invention would have been obvious from the device in conjunction with the prior art. *LaBounty Mfg. v. United States Int'l Trade Comm 'n*, 958 F.2d 1066, 1071, 22 USPQ2d 1024, 1028 (Fed Cir 1992). The disclosure of RIB (Revenue Increasing Budget) rules clearly allows one of ordinary skill in the art to anticipate any additional rules which would be used to deal with specific revenue changes that result in the increase of a particular revenue or expenditure budget.

8. **Applicant argues that the rejection of Claims 1, 6, and 14 based on the disclosure in Prentice regarding the accounting practice of analyzing and classifying variance and the person of ordinary skill in the art does not explain how Prentice teaches all elements of the claimed invention.** The Examiner maintains that it would have been obvious to combine the teachings of Prentice regarding the analysis and classification of budget variances with one of ordinary skill in the art and the result would be Applicant's invention. Therefore, Claims 1, 6, and 14 are properly rejected and remain rejected.

9. **Applicant argues that the rejection of Claims 4 and 17 based on the teachings of Prentice are not equivalent to Applicant's invention because does not specifically disclose the retrieval, storage of revenue or expenditure budget values.** The Examiner maintains that the storage and

retrieval of values (expenditure or revenue) is not a patentable process as it would have been obvious, at the time of the invention, to one of ordinary skill in the art to retrieve and store changes per some standard accounting practice (GAPP, IFRS, etc.). Therefore, Claims 4 and 17 are properly rejected and remain rejected.

10. **Applicant argues that Claims 1, 4, 6, 14 and 17 rejected under 35 U.S.C. §103(a) per the teachings of Prentice either alone or in combination with one of ordinary skill in the art do not create a *prima facie* case of obviousness.** It is the Examiner's position that Prentice in at least Chapter 8, slide 8-9 discloses that flexible budgets incorporate changes caused by changes in expenditure or revenue. Prentice in at least Chapter 8, slide 8-4 discloses that a variance is a deviation from an actual amount from the expected or budgeted amount. The Examiner maintains that it would have been obvious, at the time of the invention; to one of ordinary skill in the accounting arts to classify and determine whether a budget variance would result in an increase or decrease in a budget and whether or not it would be reported on a particular report. Therefore, Examiner maintains that Claims 1, 4, 6, 14 and 17 are properly rejected and remain rejected.

11. **Applicant argues that Claims 2, 3, 5, 7, 8, 9, 15, 16, and 18 were rejected under 35 U.S.C. § 103(a) a being unpatentable over Prentice in view of Peterson should be allowed as Prentice and Peterson do not disclose, teach or suggest the additional elements: storing budget increased with a mark indicating that the item should be omitted from the report, comparing the expenditure budget data structure with the revenue budget to determine if values are balanced, indication on revenue budget item that it is generated according to a RIB rule, storing in a budget database the budget item in a location identified by a RIB rule, storing revenue and budget increases.** Peterson in at least Column 2, lines 20-34 discloses a task-based classification and analysis system and analysis software for analyzing revenue and expenditures based on pre-determined relationships and a plurality of hierarchical task lists. Peterson in at least Fig.1 and Column 3, lines 21-34 further discloses the analysis system and software maintaining relationships between a plurality of databases. Therefore, it would have been obvious, at the time of the invention, to one of ordinary skill in the art to modify Peterson with Prentice's flexible budget and variance analysis to provide a budgetary software analysis system for

analyzing business budgets. Examiner maintains that Claims 2, 3, 5, 7, 8, 9, 15, 16 and 18 are properly rejected and remain rejected.

Claim Rejections - 35 USC § 102

12. **Claims 1-18** are rejected under 35 U.S.C. 102(b) based upon a public use or sale of the invention. Reference the 2000 Development Requests at HERTUG (Higher Education and Research Institutions) held in Toronto and <http://web.mit.edu/her/devreq/votedevreq00.htm>, item number 7 regarding the SAP FM module and requests from the user community on improving / expanding RIB functionality.

Claim Rejections - 35 USC § 103

13. **Claims 1, 4, 6, 14 and 17** are rejected under 35 U.S.C. 103(a) as being unpatentable over PowerPoint slide presentation regarding, Introduction to Management Accounting 12/e, Horngren/Sundem/Stratton, 2002, Prentice Hall Business Publishing here forth known as (Prentice).

Claims 1, 6, and 14:

With regard to the limitation of a budgetary management method:

- ***Responsive to a new transaction of a revenue item.***
- ***Executing a RIB rule to determine an increase to expenditure budget***
- ***Storing the budget increase in the expenditure budget.***
- ***Storing the budget increase in a revenue budget.***

Prentice in at least Chapter 8, slides 8-1 through 8-9 discloses a Flexible Budget being compared to a Static or Master budget, the comparison commonly referred to, in the Accounting Arts, as Variance Analysis and classifying the variance. Therefore, it would be obvious, at the time of the invention, to a person of ordinary skill in the art to determine that variance analysis and the classification of that variance in accordance with an organization's Standard Operating Procedure regarding variance is similar in function to the analysis conducted via a RIB rule.

Claims 4 and 17:

With regard to the limitation a reporting method for a budget control system:

- ***Retrieving Expenditure and Revenue value from storage.***
- ***Comparing the Expenditure and Revenue values of only those values, which have not been marked in a manner to exclude them from certain calculations.***

Prentice in at least Chapter 8, slides 8-12 through 8-22 discloses the performance evaluation and computing the variance of a flexible-budget revenue related activity. Prentice in at least Chapter 8, slides 8-23 through 8-42 further discloses evaluating the expenditure side of the budget using variance analysis and determining the classification of the variance. Therefore, it would be obvious, at the time of the invention, to a person of ordinary skill in the art to determine that variance analysis and the classification of each variance according to the business accounting rules regarding which variances are classified in a manner which will result in the increase of an item or account in an organization's flexible budget is functionally equivalent to Applicant's invention.

14. **Claims 2-3, 5, 7-13, 15-16, and 18** are rejected under 35 U.S.C. 103(a) as being unpatentable over Prentice as applied to **claims 1, 4, 6, 14 and 17** above, and further in view of Peterson, US 6,073,108.

Claims 2, 3, 5, 7, 8, 9, 15, 16, and 18:

Prentice discloses the limitations as shown in the rejections above. Prentice does not disclose the following limitations:

- ***Properly storing and marking revenue budget increases per accounting rules.***
- ***Properly storing and marking expenditure budget increases per accounting rules.***

Peterson in at least Column 2, lines 20-34 discloses a task-based classification and analysis system and analysis software with a user interface for analyzing revenues and expenditures based on predetermined relationships and a plurality of hierarchical task lists. Peterson in at least Fig.1 and Column 3, lines 21-34 further discloses the analysis system and software maintaining relationships between a plurality of databases. It would have obvious, at the time of the invention, to a person of ordinary skill in the art to modify Peterson with the flexible budget and variance analysis of Prentice to provide a budgetary software analysis system for analyzing business budgets.

Claims 10-13:

Prentice discloses the limitations as shown in the rejections above. Prentice does not disclose the following limitations:

- ***Report generator for particular revenue budget items.***

Peterson in at least Column 2, lines 35-44 discloses an analysis software module for building task-based budgets and coordinating relationships between a plurality of task lists and further discloses in at least Column 4, lines 62-64 the system collecting and utilizing historical data from another software module for generating related reports. It would have obvious, at the time of the invention, to a person of ordinary skill in the art to modify Peterson with the flexible budget and variance analysis of Prentice to provide a budgetary software analysis system for analyzing business budgets and producing the interrelated budgetary analysis reports.

Conclusion

15. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH

shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

16. Any inquiry concerning this communication or earlier communications from the examiner should be directed to PAUL DANNEMAN whose telephone number is (571)270-1863. The examiner can normally be reached on Mon.-Thurs. 6AM-5PM Fri. off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Florian Zeender can be reached on 571-272-6790. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Paul Danneman/

Examiner, Art Unit 3627

19 March 2008

/F. Ryan Zeender/

Supervisory Patent Examiner, Art Unit 3627